

# EXHIBIT A



Office of the County Treasurer  
COOK COUNTY, ILLINOIS  
COUNTY BUILDING  
118 N. CLARK STREET, ROOM 212  
Chicago, Illinois 60602

MARIA PAPPAS  
COUNTY TREASURER

04 APR 30 11:10:33

**Directions:** This receipt **MUST** be signed by the tax buyer. Attach this receipt to the top of your complete packet. A tax buyer is not eligible to bid and the Cook County Collector will neither acknowledge nor accept any bid from a tax buyer who does not sign this receipt.

1. I have received a copy of the Tax Sale Rules and Regulations.
2. I have read and understand the Tax Sale Rules and Regulations.
3. I agree to comply with these Rules and Regulations.
4. I have received the 2002 Annual Tax Sale Registration Forms, the Acknowledgement of Single, Simultaneous Bidder Rule, and this Receipt.

*[Signature]* VP  
(Tax Buyer/Signature)

Dated: 4/16/2004

(please print)

**TAX BUYER NAME:**

HEARTWOOD 88 LLC

**ADDRESS:**

P.O. Box 5707

Fort Lauderdale, FL 33310

**TELEPHONE:**

(954) 760-5245

**FACSIMILE:**

(954) 760-5524

**E-MAIL:**

mdeluca@bankatlantic.com

**REGISTRATION #:**

02-050

Maria Pappas  
Cook County Treasurer and Ex-Officio County Collector  
Cook County, Illinois

02-050

Registration Number

## 2002 Annual Tax Sale Registration

### Section I

**REGISTERED TAX BUYER** – Legal entity to which Certificates of Purchase will be issued:

Name: HEARTWOOD 88 LLC  
Address: P.O. Box 5707  
City: Fort Lauderdale State: FL Zip: 33310  
Telephone: (954) 760-5245 FAX: (954) 760-5524  
E-Mail: mdeluca@bankatlantic.com SSN: \_\_\_\_\_  
FEIN: 30-0147777

### Section II

**AUTHORIZED BIDDERS** – Only the following individuals are authorized to bid on behalf of and bind the above-named Tax Buyer (**Remember to attach photocopy of all bidders' photo identification**):

Name/SSN	Address	Telephone, FAX & E-Mail
1. Michael G. DeLuca SSN: [REDACTED]	421 N.E. 25th Terrace Boca Raton, FL 33431	(561) 362-9292 (954) 337-5788 (fax)
2. Paul J. Del Bianco SSN: [REDACTED]	1800 N. Andrews Ave 11H Fort Lauderdale, FL 33311	(954) 760-5561
3. _____ SSN: _____	_____	_____
4. _____ SSN: _____	_____	_____

### FOR OFFICE USE ONLY

☐ LOC ☒ MCC ☐ MO ☐ BOND \$2,000,000.00

Registration signed by all bidders ☒ for all bidders

INITIAL REVIEW BY: C. M.D.

APPROVED BY: ERT

Section III

Identify the legal status of the tax buying entity named in Section I (Select **ONLY** one):

Individual ☐Assumed Name ☐Partnership ☐Limited Partnership ☐Corporation/LLC ☒501(c)(3) ☐

If you selected "Individual", you may skip to Section V.

Section IV

If you are buying under an **Assumed Name**, please provide the following:

County/State in which your Assumed Name is filed: \_\_\_\_\_  
 Name of person buying under assumed name: \_\_\_\_\_  
 Address of person: \_\_\_\_\_ City: \_\_\_\_\_  
 State: \_\_\_\_\_ Zip: \_\_\_\_\_ Telephone: \_\_\_\_\_  
 FAX: \_\_\_\_\_ E-Mail: \_\_\_\_\_

For each person having an ownership or profit sharing interest in the Assumed Name entity, give the following information (use an additional sheet of paper if necessary):

<u>Name/SSN</u>	<u>Address</u>	<u>Telephone, FAX &amp; E-Mail</u>
1. _____ SSN: _____	_____	_____
2. _____ SSN: _____	_____	_____
3. _____ SSN: _____	_____	_____

If the tax buyer is a **Partnership**, please provide the following regarding ALL PARTNERS (general, limited, equity or other) (use an additional sheet of paper if necessary):

<u>Name/SSN</u>	<u>Address</u>	<u>Telephone, FAX &amp; E-Mail</u>
1. _____ SSN: _____	_____	_____

2. \_\_\_\_\_  
 SSN: \_\_\_\_\_

3. \_\_\_\_\_  
 SSN: \_\_\_\_\_

If the tax buyer is a Limited Partnership/LLP, please provide the following:

State in which Limited Partnership or LLP is registered: \_\_\_\_\_  
 Name of the Registered Agent or Officer: \_\_\_\_\_  
 Address of Registered Agent or Officer: \_\_\_\_\_

In addition, give the following information for each member of the Limited Partnership/LLP (use an additional sheet of paper if necessary):

Member Name/SSN	Address	Telephone, FAX & E-Mail
1. _____ SSN: _____	_____	_____
2. _____ SSN: _____	_____	_____
3. _____ SSN: _____	_____	_____

If the tax buyer is a Corporation/LLC, please provide the following:

State of Incorporation: Florida Year of Incorporation: 2001  
 Is the Corporation in Good Standing: Yes / No  
 If the Corporation is not an Illinois Corporation, is the Corporation licensed to do business in Illinois: Yes / No  
 Is the Corporation Publicly Held: Yes / No

Name of Registered Agent: National Registered Agents Inc.  
 Address of Registered Agent: 208 South LaSalle St., Suite 1855  
Chicago, IL 60604

For each person with a stock or profit sharing interest in the corporation, please provide the following, (use an additional sheet of paper if necessary):

Name/SSN	Address	Telephone, FAX & E-Mail
1. BankAtlantic SSN: [REDACTED]	P.O. Box 5707 Fort Lauderdale, FL 33304	1-888-413-0881 (954) 760-5245 liensrus@aol.com
2. _____ SSN: _____	_____	_____
3. _____ SSN: _____	_____	_____

If the tax buyer is a 501(c)(3) Charitable Organization, please provide the following:

Name of Chief Executive Officer: \_\_\_\_\_  
Address of headquarters: \_\_\_\_\_

Do you have tax exempt status with the Illinois Department of Revenue? Yes / ☒ No

#### Section V

#### REPRESENTATIONS AND WARRANTIES

I represent and warrant, except as is fully disclosed below, with copies of the documentation of the matters disclosed, that the bidding entity registering to be permitted to participate in the 2002 Annual Sale is not affiliated with any other entity or person registering to bid at the 2002 Annual Sale, in that:

- (A) It has no capital, purchase money, or other finances in common with any other bidding entity or person registering to bid at the 2002 Annual Sale;
- (B) It shares no common ownership interest or common source of funds with any other bidding entity or person registering to participate at the 2002 Annual Sale;
- (C) It has no agreements to purchase or sell any parcels successfully bid on at the 2002 Annual Sale by any other registering bidding entity or person at the 2002 Annual Sale;
- (D) It has no agreements to purchase or sell any parcels successfully bid on at the 2002 Annual Sale by any entity or person known to be ineligible to bid at the 2002 Annual Sale;

- (E) It does not stand to gain financially pursuant to an agreement with another bidding entity registering for the 2002 Annual Sale concerning parcels to be bid upon or purchased by such other entity at the 2002 Annual Sale.

Explanations, if needed:

---

---

---

---

---


---

---

---


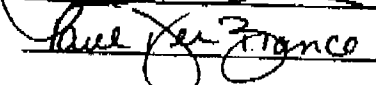
Attach additional pages if necessary. Attach exhibits, if any, to application.

Each of the undersigned states under oath or affirmation pursuant to §1-109 of the Illinois Code of Civil Procedure that all of the information set forth in this registration is true, correct, and complete.

  
Signature of Purchaser

Date: 4/16/2004

Signature(s) of ALL Registered Bidder(s):

1. 
2. 
3. \_\_\_\_\_
4. \_\_\_\_\_

# **EXHIBIT B**

## **(Redacted)**



# **EXHIBIT C**

## **(Redacted)**

# EXHIBIT D

**From:** Jbridgechicago@aol.com  
**Sent:** Friday, March 5, 2004 1:55 PM (GMT)  
**To:** mdeluca@bankatlantic.com  
**Subject:** 2001 Tax Sale Stats  
**Attach:** 2001 ANNUAL SALE.xls

---

Hope that this is helpful.

John Bridge

	A	B	C	D	E	F	G	H	I
1		COMPANY	CERTIFICATES	DOLLARS	% OF TOTAL CERTS	% OF TOTAL Dollars			
2									
3									
4									
5		BEARWOOD	1076	\$ 6,249,809.35	4.13%	9.68%			
6		SABRE	1013	\$ 4,341,095.96	4.77%	5.18%			
7		INDSIS	380	\$ 2,920,269.73	3.90%	4.37%			
8		RECONS	946	\$ 1,568,394.32	3.98%	2.54%			
9		CRONUS	614	\$ 1,267,539.18	2.89%	1.96%			
10		CC	570	\$ 1,108,473.98	2.68%	1.72%			
11		DRN	644	\$ 1,085,418.97	3.03%	1.70%			
12		PRESERVE	432	\$ 977,958.10	2.03%	1.52%			
13		GOthic	558	\$ 887,597.77	2.61%	1.38%			
14					30.044%	30.041%			
15									
16					7.00%	5.02%			
17					5.48%	4.12%			
18					12.48%	9.14%			
19									
20					6.90%	6.49%			
21					7.34%	4.19%			
22					14.24%	10.68%			
23									
24					3.33%	4.08%			
25					0.70%	0.49%			
26					4.04%	4.57%			
27									
28		PHOENIX BOND	830	\$ 8,356,034.81	3.91%	12.95%			
29		SALTA	1,243	\$ 4,775,819.46	5.85%	7.40%			
30		1ST NATIONAL ASSET	837	\$ 4,137,671.68	3.94%	6.41%			
31		BCS	823	\$ 3,660,169.84	3.88%	5.67%			
32									
33		MISC.	995	\$ 1,463,216.95	4.68%	2.27%			
34		GLOHRY	534	\$ 1,048,078.02	2.52%	1.62%			
35		FITZ	252	\$ 808,735.87	1.19%	1.25%			
36		SUBURBAN	348	\$ 749,820.36	1.64%	1.16%			
37		BELMONT	374	\$ 690,018.11	1.76%	1.07%			
38		HBZ (P. Alexander)	524	\$ 668,985.27	2.47%	1.04%			
39		WEST TOWN	426	\$ 654,198.87	2.01%	1.01%			
40					39.20%	45.67%			
41			21,232	\$ 64,513,318.86					
42									
43									
44			59.00%	% of 1,2,3 we wanted					
45									
46			52.88%	% of 1,2,3 we wanted					
47									
48			77.88%	items over 20K we wanted					
49									

HWED00108833

	A	B	C	D	E	F	G	H	I
50			91.87%	items over 10k we wanted					

HWED00108834

**From:** Michael DeLuca  
**Sent:** Friday, March 5, 2004 3:21 PM (GMT)  
**To:** 'Jbridgechicago@aol.com'  
**Subject:** RE: 2001 Tax Sale Stats

---

John,

YOU DID IT !!!!!!!!!!!!!

Amazing. Thank you.

Michael DeLuca, Vice President  
BankAtlantic/Heartwood 88 LLC  
Florida's Most Convenient Bank

-----Original Message-----

From: Jbridgechicago@aol.com [<mailto:Jbridgechicago@aol.com>]  
Sent: Friday, March 05, 2004 8:55 AM  
To: mdeluca@bankatlantic.com  
Subject: 2001 Tax Sale Stats

Hope that this is helpful.

John Bridge

# EXHIBIT E

BANKATLANTIC  
TAX CERTIFICATE  
ILLINOIS PROPOSAL

**Objective:** This year's Cook County (Chicago), Illinois tax sale will begin May 10, 2004. In order to increase our market share in this highly profitable market, we have developed a new strategy that is expected to result in an additional investment of at least \$10 – 12 million at a high single-digit to low double-digit yield. We project that this program will generate additional pre-tax earnings of approximately \$1 – 1.5 million over the next two years.

**Background:** The Cook County market is extremely competitive, dominated by several large local investors who are primarily interested in acquiring real estate, rather than arbitrage. As a result, interest rates on most tax liens on residential properties open and close at the minimum of 0%. If multiple bidders shout 0%, then the auctioneer will select the successful bidder. This, in effect, creates a round robin type distribution, whereby the best way to increase volume is by having multiple bidders in the room. However, the Treasurer's rules prohibit more than one related entity from bidding at the sale.

The 0% interest rate is acceptable because we are able to post subsequent taxes within one month of the sale and again six months after the sale at a flat rate of 12%, thereby greatly increasing our actual annualized yield to a range of 9-12%. Our research enables us to purchase the tax liens with the highest availability of subsequent taxes. See attached analysis of the results of the portfolios from the last four years.

**Proposal:** While Heartwood 88, LLC will continue to bid at the sale, BankAtlantic will provide financing to two other bidders at the sale. We expect these borrowers to be entities controlled by our Maryland attorneys and/or the principals of Vesta (hereinafter referred to as the "Borrowers"). The Borrowers will execute blanket assignment forms to be held by BankAtlantic for all liens purchased. It is not expected that they will invest any of their own capital. After the completion of the sale, Heartwood 88, LLC will purchase these tax liens at a slight premium to compensate the Borrowers for their efforts.

**Details:**

1. BankAtlantic will perform the following:
  - obtain sale lists
  - coordinate all diligence (with assistance of contractor CMS Services, LLC)
  - prepare bid lists
  - provide and supervise bidders at the sale
  - handle all funding of initial sale deposit and daily purchases through direct payments to the Cook County Treasurer from a BankAtlantic Loan Funding account established at Harris Bank in Chicago
  - secure daily sale receipts



- at the conclusion of the sale, exchange sale receipts for actual certificates
- 2. After the conclusion of the tax sale, Heartwood 88, LLC will purchase the tax certificates from the Borrowers with the proceeds used to repay BankAtlantic, after which these certificates will be serviced in the same manner as those purchased directly by Heartwood 88.
- 3. We expect to again enter into an agreement with CMS Services, LLC whereby CMS will service the tax certificates and purchase the portfolio in full after two years.

**Advantages:** We expect that this arrangement will allow us to double our annual investment in Cook County. Based on historical experience, this will amount to at least an additional \$10 - 12 million

**Concerns:** Initially the assets will be in the Borrowers' names. BankAtlantic, however, will directly pay for the liens and gather and secure the tax sale receipts. These receipts must be presented to obtain a tax certificate approximately 30 days after the conclusion of the tax sale. Tax certificates will not be issued by the county without the original receipts and the original buy list. Upon redemption, the tax certificate must be exchanged to receive the redemption proceeds. Furthermore, the blanket assignment of tax liens from the Borrowers to BankAtlantic and UCC-1 financing statement will protect the Bank's investment. In short, BankAtlantic will have a perfected lien and full custody of the collateral.

We have reviewed the Cook County Treasurer's "Single, Simultaneous related bidding Entity" rule and believe that this arrangement would not be considered a violation. Historically, many bidding entities in the sale have obtained financing from a single source, LaSalle National Bank and many other similar arrangements have not been questioned or prohibited. In the unlikely event that this arrangement is questioned, the only penalty would be to bar the Borrowers from the sale. Purchase and sale of portfolios immediately after the tax sale is common practice in Cook County.

# EXHIBIT F

**From:** Michael DeLuca  
**Sent:** Wednesday, July 6, 2005 3:16 AM (GMT)  
**To:** Kevin Sierzega (KCSierz@CMSIL.com); Kevin Sierzega (kev56sich@aol.com)  
**Subject:** Bid Book creation tool add in  
**Attach:** Bid Book Add Ins for Kevin.mdb

---

Kevin,

Please delete the following that you copied into your 2003 database from last year:

"BID BOOK for Report" Query  
 "Create Bid Books" Form  
 ALL of the bidder bid book Reports  
 "PRINT ALL BID BOOKS" Macro

Replace them with ALL of the objects in the database attached and everything should work. I think more work needs to be done because you may not have given me complete information on the buyers you will need bid books for? I have room for more buyers and spare bid book reports for additional bid books you may opt for.

**IMPORTANT:**

I need you to confirm or change the list of buyers below so that Kelly's application will run smoothly and reflect the legal buyers entity names as you would like them recorded. Please return this list to me at your earliest. Thank you.

Buyers
AZTEK PARTNERS LLC
BRB LLC
CARPUS LLC
CRONUS, LLC
G3 HOLDINGS LLC
GEORGETOWN INVESTORS LLC
GJ VENTURES LLC
HEARTWOOD 88, LLC
MAKO PROPERTIES LLC
MD SASS IV
MUDCATS LLC
REGAL ONE, LLC
TAX PLAY LLC

PS: In case you cannot get the attachment for any reason this email has been sent to your AOL account as well.

Michael DeLuca, Vice President  
 BankAtlantic/Heartwood 88 LLC  
 P.O. Box 5707  
 Fort Lauderdale, Florida 33310

1-954-940-5484 Voice  
1-954-337-5788 Fax  
mdeluca@bankatlantic.com

Florida's Most Convenient Bank

Visit us today at [www.bankatlantic.com](http://www.bankatlantic.com) or visit any of our branches 7 days a week!